

JUN 19 2003

Michael N. Milby, Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In Re Enron Corporation
Securities, Derivative &
"ERISA Litigation

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§

MDL-1446

THIS DOCUMENT RELATES TO:

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H-03-1580

MARK NEWBY, ET AL.,

§
§
§
§

Plaintiffs

VS.

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§
§
§

CIVIL ACTION NO. H-01-3624 ✓
CONSOLIDATED CASES

ENRON CORPORATION, ET AL.,

§
§

Defendants

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA, et al.,
Individually and on Behalf of
All Others Similarly Situated,

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§
§

Plaintiffs,

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§
§

VS.

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§

KENNETH L. LAY, ET AL.,

§

Defendants.

CONNECTICUT RESOURCES RECOVERY
AUTHORITY,

§
§
§
§

Plaintiff,

§

VS.

CIV. ACTION NO. H-03-1580

§
§
§
§

MURTHA CULLINA, LLP., ET AL.,

§

Defendants.

ORDER

Pending before the Court in the above referenced action
is Connecticut Resources Recovery Authority's motion for

1495

reconsideration (instrument #103 in H-03-1580) of the Court's May 28, 2003 referring this case to mediation. For reasons explained below, the Court construes this motion as one for clarification.

Counsel explains that this case is a state law legal malpractice action and does not depend on the financial collapse of Enron Corporation nor name Enron as a defendant. Plaintiff Connecticut Resources Recovery Authority assert that as a public entity with fiduciary duties it was not statutorily authorized to lend \$220 million of public money to Enron, but that the defendant law firms created and disguised such a loan as an energy transaction. Moreover, any federal jurisdiction, which Plaintiff is challenging, is based on a third-party "apportionment complaint," brought by one of the law firm defendants against 48 defendants including former Enron executives, directors, etc. and Arthur Andersen L.L.P. and alleging that these defendants fraudulently helped Enron to hide its unstable financial conditions and fraudulent business dealings from Plaintiff.

The Court ORDERS

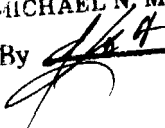
that the motion for clarification is GRANTED. The reason for adding this action (and all others not officially consolidated into *Newby* or *Tittle*) to the style of the MDL order, referring specific parties in *Newby*, *Tittle*, and Enron's bankruptcy proceedings to a joint mediation, was not to refer all the cases to mediation on the merits of each, but to give notice to all parties involved in the MDL that a limited mediation would take place. The only parties in MDL 1446 referred to mediation by

that order were MDL 1446 plaintiffs with claims against the defendant financial institutions¹ and those financial institutions. None of those financial institutions is involved in H-03-1580, which accordingly is not included in the referral.

SIGNED at Houston, Texas, this 18th day of June, 2003.



MELINDA HARMON
UNITED STATES DISTRICT JUDGE

TRUE COPY I CERTIFY
TEST:
MICHAEL N. MILBY, Clerk of Court
By  Deputy Clerk

¹ Arthur Andersen L.L.P. was not included in this group.